



for Retirees

Montana Public Employee Retirement Administration

Fall 2002



2002 Retirement News to

This annual newsletter provides information for retired members of the following retirement systems administered by the Montana Public Employees' Retirement Board (PERB):

- Public Employees' (PERS)
- Highway Patrol Officers' (HPORS)
- Game Wardens' and Peace Officers' (GWPORS)
- Firefighters' Unified (FURS)
- Judges' (JRS)
- Sheriffs' (SRS)
- Municipal Police Officers' (MPORS)
- Volunteer Firefighters' Compensation Act (VFCA)

Temporary change of address? Keep us informed.

Be sure to include notification to MPERA on your "to do" list when you travel south this winter or any time you will have a temporary or permanent change of address. To protect your retirement checks and other sensitive information pertaining to your account, we request the postal service to return all mail sent from our office if it can not be delivered as addressed. Your retirement checks, benefit notices, 1099R's and newsletters will **not** be forwarded.

Notify MPERA in Writing:

You must notify our office **in writing** of any temporary or new permanent address. We must have your signature authorizing us to change your address on our system. Then, be sure to notify us again when you return home after a temporary change of address.

Direct Deposit The way to go!

Your retirement benefit payment will be in your designated bank account on the last working day of the month when it is directly deposited. If you receive your benefit check by mail, we mail it on the last working day of the month. MPERA cannot guarantee when it will reach you. Direct deposit is especially convenient if you travel frequently or have a temporary change of address.

Want to change to direct deposit or changing banks?

Instead of waiting to receive your retirement benefit by mail, why not choose the convenience of direct deposit. Request a *Direct Deposit Agreement* form from the MPERA to change to direct deposit or change your direct deposit to a different bank. You and your bank must complete the form. This form requires notarized signatures. The MPERA must receive the *Direct Deposit Agreement* form prior to the 15th of the month to ensure your benefit is direct deposited at the end of that month.

Upcoming dates for distribution and receipt of retirement benefits.

<i>Distribution Date by MPERA:</i>	<i>Electronic Transfer of Direct Deposit:</i>	<i>Approximate date of receipt, if mailed:</i>
October 31, 2002	October 31, 2002	November 2 - 5, 2002
November 29, 2002	November 29, 2002	December 2 - 6, 2002
December 31, 2002	December 31, 2002	January 2 - 5, 2003

* It takes at least two to five days for delivery of your check by mail.

For your convenience . . .
See page three for a request to make an address change and to obtain a Direct Deposit Agreement form.

A Message From the Executive Director *by Mike O'Connor*

Recently, members have expressed concern about the effect of the current economic situation on the health of their retirement fund. As you have no doubt noticed, the economy is not recovering as hoped. Two consecutive years of negative stock market experience have prompted retirees to ask: "What effect does this have on my retirement?" I can assure you your retirement benefits are 100% guaranteed. You will continue to receive monthly benefits as promised. Your benefits will not be reduced in any way and you can continue to expect the Guaranteed Annual Benefit Adjustment (GABA) yearly increase of three percent on your benefit (explained in the article on this page).

Retirement funds administered by the Public Employees' Retirement Board (PERB) are being affected by the volatile stock market, just as other funds are. However, the long-term investment strategy of the retirement funds anticipates fluctuating markets. History bears out that declining markets do recover. We continue to maintain a long-term investment strategy. By diversifying holdings, the funds are cushioned from the effects of unfavorable trends.

All public employee retirement system funds administered by the PERB are strong and will continue to remain so. The retirement benefit you receive monthly from the MPERA is secure.

Working After Retirement

Many retirees go back to work because they miss having a job, or they want extra income. If you worked or are currently working for a private company or a public employer not affiliated with the MPERA, there are no limitations on the amount of time you may work. Your retirement benefit will not be affected, except for some disability retirees.

A PERS or SRS member must be retired for 30 days and receive the first retirement benefit before returning to a job in the same retirement system. (including as an independent contractor). If you retired from a PERS- or SRS - covered posi-

tion and return to work in a position covered by the same retirement system, there are some specific rules which may apply to you.

Contact the MPERA for specific working retiree information.

Note:

- If you are receiving a disability retirement benefit and considering returning to work, please contact the MPERA for information.
- You become a retired member when you have been retired for at least 30 days and have received **one** monthly benefit payment.

Guaranteed Annual Benefit Adjustment

The Guaranteed Annual Benefit Adjustment (GABA) guarantees an increase of three percent to your retirement benefit each year, when eligible. If you were retired at least 12 months before January 1, 2002, you received the GABA increase in your January retirement benefit (paid on January 31, 2002). You will receive the next three percent benefit increase in January 2003. That increase will start with your January benefit, on January 31, 2003.

By law, the Guaranteed Annual Benefit Adjustment (GABA) is paid the first January after a member has been retired for 12 months. If you have retired, or

will retire, between January 1, 2002 and December 31, 2002, the first increase to your benefit will be in January, 2004.

You will receive a benefit statement detailing the breakdown of your benefit when it increases. This statement will be mailed to you at the end of January, and you should receive it within days of your increased benefit payment.

The GABA is available to all PERS, GWPORS, and SRS retirees. It is also available to retirees of the JRS, HPORS, MPORS, and FURS, who either were hired after July 1, 1997, or elected the GABA on or before December 1, 2001.

Check out our web site:
<http://www.discoveringmontana.com/doa/perb/>

Staying Current . . .



There are times in retirement - certain life events or changes in circumstances - when you should contact our office.

1 Updating your beneficiaries:

You may change the designation of your beneficiaries at any time by filing a *Change of Beneficiary* form with MPERA. It is very important to keep this designation current. Complete the request below to obtain the form.

2 Changing your designation:

If you were a retired member of the PERS, SRS, GWPORS, or JRS, **prior to October 1, 1999**, you may change the designation of your contingent annuitant or change your payment option if you selected Options 2, 3, or 4, **and** one of the following applies: (1) The contingent annuitant dies; or (2) You are divorced from the contingent annuitant and the court did not grant the contingent an-

nuitant the right to receive part of the benefit.

Members who retired **after October 1, 1999**, have a different option. If you selected Option 2 or 3, and meet one of the conditions stated in the last paragraph, you must file a written application to have the Option 2 or 3 retirement benefit revert to Option 1, as was available at the time of retirement.

Note: Any change must be made within 18 months of the death of or divorce from the contingent annuitant.

3 Reporting the death of a retiree:

Anyone can report the death of a retired member. When reporting a retiree's death, be prepared to provide the following information: the retiree's name; Social Security Number; date of death; name and address of person reporting the death; and name and address of next of kin.

We will work closely with survivors and beneficiaries to ensure proper benefit payments are made in a timely manner.

Survivor Benefits

Your survivors should know the benefits available to them in the event of your death. These retirement benefits range from a return of your account balance to a continuing benefit for the survivor or named beneficiary. It depends on your retirement system and also the option you selected.

If you have specific questions concerning the survivor benefits for your retirement system or the benefits provided by the option you chose, please call the MPERA.

To avoid delays in receiving information from MPERA, it's important that we have your correct mailing address. Even if you haven't moved, address changes sometimes occur.



I AM FILING THIS REQUEST WITH MPERA TO:

- (1) ? Change my address. (Complete current address and new address information below.)
- (2) ? Request a *Direct Deposit Agreement* form. (Complete address information only as it applies.)
- (3) ? Request a *Change of Beneficiary* form. (Complete address information only as it applies.)

NAME _____

First

Middle or Maiden

Last

CURRENT ADDRESS _____

Mailing Address

Retirement Number: _____

Social Security Number: ____ - ____ - ____

City

State

Zip Code

Effective Date of New Address:

NEW ADDRESS

(if applicable)

Mailing Address

Month/Day/Year

City

State

Zip Code

SIGNATURE (required) _____

DATE SIGNED _____

Place in an envelope and mail to: MPERA, PO BOX 200131, HELENA MT 59620-0131

Tax Information

When will you receive it?

Your 1099R tax form is mailed from the MPERA office at the end of January. Remember, this will be mailed to the most recent address we have on file. Just another reason to keep your mailing address up-to-date!

The beneficiary of any retiree whose death occurred during 2002 received the 1099R tax form at the time the retirement account was closed.

MPERA is Expanding . . . To serve you better!

To more efficiently serve our members, MPERA has expanded its workforce. As a result, we must expand our current office space. Our reception area and those staff members who provide direct customer service to members have moved to Suite 100 in our present building, in Helena, at 100 North Park Avenue. The MPERA will now occupy office space on both the first and second floor at this location. When you visit our offices you will find visitor parking on the West side,



near the building. Enter the building through the west entrance (level one) and you will find our reception area on that level.

CAFR Award For annual financial report.

The Montana Public Employees' Retirement Board's 2002 Comprehensive Annual Financial Report (CAFR) has earned the *Certificate of Achievement for Excellence in Financial Reporting* for the fourth consecutive year. The award was presented to Roxanne Minnehan, Fiscal Services Bureau Chief. Awarded by the Government Finance Officers Association of the United States and Canada, the Certificate of Achievement is the highest form of recognition in the area of public employee retirement system accounting and financial reporting.

The CAFR requires a lot of time, skill, attention to detail, and the dedication of several members of the MPERA Fiscal Services Bureau. They strive to improve upon the information provided each year.

Its attainment represents assurance to members that the MPERA produced a quality report.

Judy Martz, Governor

Public Employees'
Retirement Board

Terry Teichrow
President

Carole Carey
Vice-President

Robert Griffith
Jay Klawon
Carol Lambert
Troy W. McGee
Jean Thompson



Mike O'Connor
Executive Director

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*Should any information in this
newsletter conflict with statute or
rules, the statute or rules will apply.*